



JOHN ELIAS BALDACCI
GOVERNOR

STATE OF MAINE
DEPARTMENT OF TRANSPORTATION
16 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0016

DAVID A. COLE
COMMISSIONER

March 16, 2010
Subject: Flagging Services
Location: Statewide
Amendment No. 1

Dear Sir/Ms:

The following questions have been received:

Question: Is it acceptable to pay mileage as a fringe "Benefit"

Response: No, mileage is not a legitimate fringe benefit.

Question: Are some people only paying the \$14.00 wage with no benefits?

Response: Everyone is required to pay the wages as they are posted on the wage determination wage sheet. On projects which are funded with only state funds, fringe benefits paid as cash are considered wages and must be paid for at time & ½ just like their normal wages. Example: Normal Hourly wage = \$10.00 for J. Smith. He gets assigned to a Maine State Project with State only funding, and the wage rates for Flagger are \$14.00 Hourly minimum with a minimum fringe of \$2.42. J. Smith receives no fringe benefit package from his employer. J. Smith works 44 Hours in a week. 40 Hours @ 1.0 x 16.42 = \$656.80 + 4 Hours OT @ 1.5 x 16.42 = 98.52 = Total of \$755.32

Employers caught not paying the proper wages will have to pay back wages, and may be fined or barred from bidding & working federal & State jobs in the future.

A legitimate fringe need not be paid for at the OT rate of 1.5x Ex: health insurance that is worth say 2.42 per hour. Same scenario as above but J. Smith has Health care benefits worth 2.42 Per Hour. 40 H @ 1.0 x 14.00 = \$560.00 + 4 Hours OT = 4 x 1.5 x 14.00 = \$84.00 = Total wages of \$644.00 + Benefits = 106.48 = Grand total of wages and benefits of \$750.48



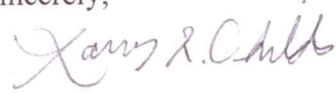
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Question: We would like to know what is meant by "652.8 – Basis of Payment"?

Response: Items to be included for payment.

Consider this information prior to submitting your bid on March 24, 2010.

Sincerely,

A handwritten signature in dark ink, appearing to read "Harry R. Childs".

FOR

Scott Bickford
Contracts & Specifications Engineer